

## **FISCAL NOTE**

### **SB 1807 - HB 1664**

March 23, 2005

**SUMMARY OF BILL:** Requires the Department of Human Services to seek termination of child support orders when a child reaches 18 years of age, and authorizes that child support orders may be modified as of the date that the child reaches 18 years of age notwithstanding the date that the department files a petition to modify or terminate the order.

### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Decrease Federal Revenues - \$44,266,100 Year One  
\$48,526,100 Year Two  
Jeopardizes \$213,000,000 in Title IV-A TANF Block Grant funds for  
the Families First program.**

#### Assumptions:

- Language in the bill permitting the court to modify retroactively arrears amounts that have accumulated prior to the filing of a petition for modification will put the state out of compliance with state plan requirements in the Title IV-D child support program and are in direct violation of Federal law (42 U.S.C. § 666(a)(9)), which will result in the loss of federal funding for the Child Support and Families First (TANF) programs.
- The State would lose approximately \$44,266,100 in Title IV-D matching dollars for the Child Support program, in year one.
- The TANF Block Grant will be reduced by a penalty of 1-2% the first year, 2-3% the second year and 3-5% the third and subsequent years for non-compliance with the Child Support State Plan requirements resulting in an additional \$4,260,000 in decreased revenues.
- Non-compliance could cause the eventual loss of approximately \$213,000,000 in Title IV-A TANF Block Grant funds for the Families First program.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director